

**Appendix 9 – U.S. PIRG’s Application for *cy pres* Funds in *In Re: Google Buzz Privacy Litigation* (submitted to the Rose Foundation Mar. 14, 2011)**

**Application Coversheet**

1. Name of Applicant Organization and EIN Number  
  
United States Public Interest Research Group Education Fund, 52-1384240  
  
Type of organization:   x 501c(3)      o Other - *Please describe:*
2. Contact Information:  
    Contact Person, Title   Ed Mierzwinski, Consumer Program Director  
  
    Address                      218 D Street, SE, 1<sup>st</sup> Floor  
                                        Washington, D.C. 20003  
  
    Telephone                  (202) 546-9707  
  
    Email                         edm@pirg.org
3. Financial Information:
  - (a)     your organization’s overall annual 2011 operating budget  
            \$1.9 million (This figure includes the annual operating budget of  
our national 501(c)(3) organization, but not the budgets of the individual state  
PIRGs or the Student PIRGs)
  - (b)     total amount of money spent on Internet privacy or Internet  
education programs in 2010  
            ~\$34,000
  - (c)     total amount of funding your organization received, if any, in  
contributions from Google,  
            Inc. or the Google Foundation in 2010  
            \$0
  - (d)     amount of funding you are requesting from this Settlement fund  
            \$1,000,000 towards two-year program
4. Briefly describe any of your organization’s existing policy or education programs concerning Internet privacy issues – make sure to include the number of years you have had programming focused on Internet privacy.

U.S. PIRG Education Fund has worked on Internet privacy issues for more than 10 years, and we have acted to quickly respond to emerging threats to Internet privacy at the federal and state level and on college campuses, despite minimal dedicated funding for this program area (only \$7,500 during 2010, for instance). Our federal and state policy staff have released reports on identity theft and security breaches; highlighted compliance with data breach laws; and partnered with allies to petition the FTC to take action on Internet privacy, mobile privacy, real-time auctioning/ behavioral targeting of consumers and the collection of medical information on the Internet by health and drug marketers. In addition to educating the public about the merits of policy solutions to Internet privacy risks, we have also seized on opportunities to raise awareness and provide resources in response to emerging threats. For instance, to address student complaints and questions, the Student PIRGs created and distributed a students' guide to navigating Facebook's privacy controls, titled FAILBook, which was viewed by more than 14,000 students within just the first week of its release.

5. Briefly describe the particular program that funding from this Settlement would support and describe how it would benefit the Class by furthering policy or education concerning Internet privacy.

U.S. PIRG Education Fund seeks support to ramp up our efforts over the next two years at the national level, in 26 states, and on 100 college campuses to educate more than one million consumers about safeguarding their personal information on the Internet and to conduct research into rapidly evolving Internet privacy issues. We will release reports and surveys; improve our websites to serve as one-stop shops for Internet security tips and information; use our canvass operation to disseminate our educational materials; and develop rapid response capacity to quickly analyze and educate the public about emerging threats and solutions. Our existing base of supporters and the broader audience of more than 675,000 households our grassroots education efforts will reach will include many Gmail users and similarly web-savvy consumers who will directly benefit from the resources we provide for protecting consumer privacy online. In fact, we know that approximately 60,000 of our email activists have Gmail accounts and that Google is the top method of referrals to our websites – referring more than 345,000 visits to our websites over the last two years. We have well over a half million email activists, more than 30,000 followers and fans via social networking sites like Facebook and Twitter, and had more than 2.3 million visits to our websites over the last two years. This web presence positions us well to educate the types of Internet users that constitute the Class.

U.S. PIRG Education Fund requests \$1,000,000 from the Google Buzz Privacy Settlement Cy Pres Fund to ramp up existing efforts over the next two years at the national level, in 26 states, and on 100 college campuses to educate more than one million consumers about safeguarding their personal information on the Internet and conduct research into rapidly evolving Internet privacy issues.

**Need**

Consumers' personal information has become a commodity in the online marketplace. Who we are, where we shop, what we like, and how to get a hold of us are valuable pieces of information for marketers looking to pitch us on their latest product, as well as identity thieves hoping to steal this information for illicit uses.

Currently, consumers do not have enough control over what information gets out or who has access to it, nor do they have an adequate understanding about the ways their personal information may be at risk. These problems are compounded in the largely unregulated marketplaces and social spaces of the Internet.

Web-savvy Internet users – like Gmail users, students, and young professionals – are the earliest adopters of Internet technology. This population is on Facebook around the clock; uses the Internet for banking, shopping, and other financial transactions; and increasingly uses mobile devices to get online. Unfortunately, web savvy does not necessarily translate into a firm awareness of the risks associated with making so much personal information available online. Furthermore, online vendors too often fail to adequately safeguard users' personal information, increasing the opportunity for consumer privacy to be compromised online.

To protect individuals' privacy online, both consumers and vendors need to be aware of the risks to personal information on the Internet, and the tools available to safeguard this information. U.S. PIRG Education Fund has experience running public education campaigns on threats to Internet privacy, and has seen firsthand how eager Internet users are to have easy access to resources for protecting themselves. For instance, in the week following the release of the Student PIRGs' guide to managing Facebook's privacy settings this summer, nearly 14,000 people downloaded the guide or reviewed an online version of it.

### **Track Record**

U.S. PIRG Education Fund draws on almost 30 years of ongoing work around privacy issues, and more than a decade of work on Internet privacy.

- U.S. PIRG Education Fund's groundbreaking reports, several authored jointly with CALPIRG Education Fund, on credit bureau mistakes, identity theft and security breaches helped lead to major state and federal reforms, including the federal right to a free annual credit report and rights in nearly every state to security breach notification and a security freeze.
- More recently, U.S. PIRG Education Fund has partnered with the Center for Digital Democracy in a series of four petitions to the Federal Trade Commission (our work is cited in the FTC's recent staff report on privacy). The petitions provided a framework for action on Internet privacy, mobile privacy, real-time auctioning/ behavioral targeting of consumers and the collection of medical information on the Internet by health and drug marketers.
- In 2002 CALPIRG Education Fund helped create the groundswell of public support needed to pass the nation's first ever data breach notification law. After the data breach law took effect, we surveyed different companies to determine

their compliance with the new law. When we released a report analyzing the survey results in 2007 we were able to point out companies with bad practices and publicize consumers' new rights under the law to our members and to the public at large through corresponding media stories.

- Following a joint U.S. PIRG Education Fund and Consumers Union campaign during 2004-2006, state PIRGs worked to ensure that nearly every state passed security breach and security freeze legislation. Over the years, U.S. PIRG Education Fund has also partnered with Privacy Rights Clearinghouse, the Identity Theft Resource Center and others on privacy research, advocacy and education projects.
- In response to student complaints and questions, the Student PIRGs created and distributed a students' guide to navigating Facebook's privacy controls, titled FAILBook. In roughly one week, the guide was viewed by more than 14,000 students. Following up on this effort, the Student PIRGs distributed an updated version of the guide in February, and asked students to weigh in on an FTC proposal to make it easier for consumers to avoid having their information tracked while browsing online. Students from across the country submitted more than 1,000 comments to the FTC asking for easier ways to avoid being "tracked" online. The response to the Student PIRGs' recent FAILBook guide to protecting your Facebook and Internet privacy and to its request for petition signatures to the FTC on privacy has demonstrated that – contrary to ad network and web publisher claims – young people do care about their privacy and want to control it.

### **Capacity**

U.S. PIRG Education is positioned to significantly ramp up our existing Internet privacy program over the next two years with an influx of funding from the Google Buzz Privacy Settlement Cy Pres Fund.

We benefit from the expertise of one of the field's leading privacy advocates and policy analysts – Ed Mierzwinski. As U.S. PIRG Education Fund's consumer program director for 21 years, Mierzwinski has authored or co-authored the above-mentioned reports on privacy, testified before Congress and state legislatures on privacy protection and participated in numerous NGO, private, governmental, international and other privacy fora. Among numerous consumer recognitions, he holds Privacy International's Brandeis Award for Privacy Protection.

Ed will continue to share his expertise with the network of 26 state PIRG organizations within U.S. PIRG Education Fund's network. Our state organizations share resources and best practices, and as a result the good work one of our state or national advocates pioneers in one location can be quickly exported and private labeled by state staff throughout the country. So each report we research or educational material we produce has impact far beyond the boundaries of one office or state. For instance, this model allowed CALPIRG Education Fund to inject local data into our 2004 nationally-produced report [\*Financial Privacy in the States\*](#) which documented concerns about financial privacy, presented a survey of state laws that have helped fill regulatory gaps in the

financial privacy sphere, and provided an estimate of the economic burden consumers bear as a result of inadequate privacy safeguards

In implementing our Internet privacy program, U.S. PIRG Education Fund will further be aided by our unique canvass capacity, along with the variety of other grassroots outreach tools at our disposal. Through our canvasses, we have the ability each year to knock on more than one million doors, talk face-to-face with as many as 725,000 individuals, and distribute educational literature to some or all of these households. Thanks in large part to our decades of canvassing, there are more than 800,000 current supporters and activists we are able to educate about Internet privacy issues, through email alerts, our websites, and targeted outreach to specific constituencies within our broad supporter base, as well as the hundreds of thousands of potential supporters we can reach through our canvass. For instance, we can send out an email targeting self-identified “mom” activists likely to want information on how to protect their children’s personal information online. In addition to making our educational materials available to these supporters already in our network, continued canvassing will allow us to publicize our websites and disseminate educational materials about Internet privacy to a very broad and diverse cross-section of the general public.

Finally, the Student PIRGs have permanent, student-funded and student-directed civic and political engagement programs on college campuses at more than 100 schools across the country. On these chapters, our campus organizers team up with student volunteers to run broad-based education efforts on pressing public interest issues, and, in the process, identify hundreds of students who want to take action. Our ability to quickly educate and mobilize young people will be particularly useful as we ramp up our Internet privacy program, since they represent such a significant constituency of avid Internet users.

### **Two-Year Plan**

With funding from the Google Buzz Privacy Settlement Cy Pres Fund, U.S. PIRG Education Fund will dramatically expand the scope and scale of our ongoing Internet privacy program, to advance our goal of improving consumer privacy online. Our strategy is to use broad-based and targeted education to inform Internet users about the need to protect their personal information online, the various threats posed by exposing their information online, and simple options for avoiding unwanted exposure of that information.

As mentioned, U.S. PIRG Education Fund has a long track record on privacy issues and identity theft, and has used our experience and expertise in this broad area to quickly get involved in Internet privacy as it has emerged as a new and popular marketplace and social space. We are uniquely situated to employ a coordinated education strategy to improve Internet privacy thanks to our presence and access in both D.C. and the states, and our 40 years of working to engage college students – one of the most substantial online constituencies. We can reach broad audiences of Internet users through our grassroots canvasses, a tested earned media strategy, our activist lists and those of coalition partners, our websites, and our social networking pages. We can complement

these wholesale outreach approaches with more targeted education and outreach to key constituencies like students that may be disproportionately impacted by particular threats to Internet privacy.

To implement our two-pronged strategy on a large scale, we will research and release reports and surveys; dramatically improve our websites to serve as one-stop shops for Internet security tips and information; bring our unique canvass operation to bear in disseminating our educational materials and driving consumers to our websites for more tools; and develop rapid response capacity that will allow us to quickly analyze and educate the public about emerging threats and solutions.

This strategy is well-designed to serve the Google Buzz Privacy Settlement Class, as our outreach techniques allow us to connect with, educate, and engage a broad audience of individuals likely to be the type of moderate to intense Internet users who have Gmail accounts. In fact, we know that approximately 60,000 of our email activists have Gmail accounts, that Google is the top method of referrals to our websites – referring more than 345,000 visits to our websites over the last two years, and that more than 60% of our own staff use Gmail as their personal email provider. Furthermore, we maintain a strong online presence, with well over a half million email activists, more than 30,000 followers and fans via social networking sites like Facebook and Twitter, and more than 2.3 million visits to our websites over the last two years. This presence positions us well to connect with the types of Internet users that constitute the Class.

Research Tools: We will develop at least two in-depth reports or surveys each year, as well as several smaller-scale research products like tipsheets or guides. Our current ideas for these projects include:

- *Internet Privacy Threats Reports:* U.S. PIRG Education Fund Consumer Program Director Ed Mierzwinski will coordinate the production of a series of reports analyzing threats to Internet privacy – from mobile marketing and dynamic pricing to the real-time sale of consumer financial and medical information to ad networks – and making recommendations for avoiding and preventing these threats.
  - We will release these reports nationally and in two dozen states across the country, making our findings available to the media, coalition partners, and to the general public via our websites.
  - One of the reports will focus on warning consumers about changes to terms of use and privacy policies, a common practice that leaves Internet users to figure out the implications to their online privacy of the new conditions. In addition, we will report to state and federal non-legislative officials on our findings and recommendations
- *Tip-sheets:* We will develop easy-to-understand tip-sheets with practical steps individuals can take to safeguard their personal information online.
  - We will make these available via the websites of U.S. PIRG Education Fund, 26 state PIRG organizations, and the Student PIRGs.
  - We will distribute these tip-sheets via our grassroots canvasses in 20 states.



- *Guidelines for State Officials*: State PIRG advocates in at least 12 states will collaborate to develop Internet privacy guidelines and distribute them to state decision-makers.
- *Privacy Rankings*: We will research and rank the privacy policies and practices of popular online sites and services, such as Facebook, Google, and LinkedIn, and make those rankings available via our websites.
- *Student Guides and Surveys*: Student PIRG national program staff will research and produce a series of materials geared toward helping young people protect their information online.
  - Each semester, campus organizers will publicly release at least one of these research resources at a majority of our 100 campus chapters, and will make additional materials available electronically via the Student PIRGs websites, Twitter accounts, Facebook pages, and email action lists. Through the public releases and other dissemination methods, we will share our research resources with the media, decision-makers, and campus administrators.
  - We will professionally design each of these guides, surveys, factsheets, and fliers, including catchy web graphics and buttons.
  - We will create easily-navigable online versions of each research product and make them available on our websites and social networking pages. We will print and distribute hundreds of hard copies of a subset of these materials, such as the student Internet privacy survey, each school year.

Topics for these research materials will likely include:

- Survey of students at half of our 100 campus chapters about the common mistakes they make with their personal information online, their top privacy concerns online, and their online user habits (how many/what kind of accounts they have, etc.)
- Best practices young people can adopt to protect their personal information online (informed in part by our survey).
- Updated FAILbook guides, in response to future changes to privacy settings/terms of use by Facebook and other social networking sites.
- Guides for protecting personal information when using online shopping services and accounts.
- Guides to secure online banking.
- Guides to protecting personal information when using smartphones and smartphone apps.
- Guides to avoiding attacks by spyware, malware, viruses and other threats that could target personal and financial information.

#### Online Tools:

- *Upgraded state and national websites*: It is only appropriate that the tools we produce to educate consumers about Internet privacy threats and how to avoid them should be available in easy-to-use format on our websites. We will upgrade our national website and 26 state websites to have dedicated and prominent pages for Internet privacy. As we produce the various materials outlined above, we will make them immediately available on these websites.

- *Student PIRGs online resource center:* We will upgrade the Student PIRGs website to serve as a one-stop shop for young people concerned about protecting their personal information online.
  - We will make all the student resources outlined above available on this website, along with regular content updates to reflect news and developments in the area of Internet privacy. We will provide easy opportunities for students to take action on the issue, such as asking a targeted company to improve its privacy protections. We will make these same resources available on a mobi website, for smartphone users.
  - We will develop a link button to the Student PIRGs website and enlist student groups, campus administrations, and other allies to include the button on their sites, driving a wider audience of young people to the online resource center.
  - We will further publicize the existence of the resource center through fliers, “clingers” for windows and computers, and other visibility materials.
  - We will use popular online social networking tools to further spread the word among audiences dominated by young people.
- *Interactive online tools:* We will develop a variety of tools such as smartphone apps and widgets to assist consumers in protecting their privacy online.
  - We will take advantage of smartphone technology to give consumers access to privacy information and resources wherever they are. We will also highlight the privacy implications of smartphones and their apps in and of themselves.
  - We will explore opportunities for other interactive tools we can develop to provide important privacy tips and information in easy-to-digest formats. For instance, we might use our websites as clearinghouses to aggregate privacy alerts – such as notifications of online security breaches – so consumers can come to a single site to stay abreast of recently discovered threats. Or, we may develop a widget that allows users of popular social networking sites to plug in their privacy settings and find out how secure their personal information is.
- *Email alerts:* We will communicate regularly about Internet privacy with our more than half a million email activists, connecting with them using the very medium that may put their personal information at risk. We have cultivated lists of supporters in each of our states, nationally, and via the Student PIRGs that we email about a range of public interest issues and organizationally developments. We will work to educate these activists about threats to Internet privacy and will disseminate electronic copies of our educational materials to them.

Public Education through Canvassing:

- *Materials distribution:* We will distribute some combination of the fliers, tip-sheets, and other easily-digestible educational materials directly to at 675,000 households across 20 states through our canvass operation.
- *Website promotion:* We will encourage the individuals we speak to through this canvassing to visit our websites to learn more about Internet security and the steps they can take to protect their personal information while online.



Rapid Response Capacity:

- *Dedicated State Staff Time:* In at least a dozen states, our consumer advocates will dedicate a portion of their time to rapid response activities around Internet security issues. These advocates will monitor the issue and respond to changes in Internet security policies (for the better or worse) by key actors, will research quickly emerging threats, and will publicize these developments through blog postings, letters-to-the-editor, email action alerts, and other tactics. CALPIRG Education Fund's consumer advocate will lead the way in developing materials and best practices that can be shared by staff in other states quickly and efficiently.
- *Dedicated Student PIRGs Staff Time:* Similarly, online organizers and program staff for the Student PIRGs will dedicate an average of at least one hour each week to responding to and publicizing emerging threats to Internet privacy as well as best practices being adopted, with a focus on services that are popular among young people.

**Conclusion**

U.S. PIRG Education Fund is committed to continuing to build our Internet privacy program, and funding from the Google Buzz Privacy Settlement Cy Pres Fund will enable us to quickly bring our two-year program expansion plan to scale. Should we receive less than our \$1 million request, we could scale down our activities accordingly.